

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 3889 – HB 3858**

February 22, 2010

**SUMMARY OF BILL:** Requires all plants and seeds sold in Tennessee to be labeled to indicate whether they have been open pollinated, genetically modified, or are a hybrid.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$471,000/One-Time  
\$557,600/Recurring**

**Assumptions:**

- According to the Department of Agriculture, currently seeds that are derived from hybridization are required by federal and state regulations to be labeled as hybrid seed. The labeling of genetically modified seeds is not a requirement.
- According to the Department, in order to meet the labeling requirements of this bill additional genetic testing would be required that is not currently completed on seeds and plants.
- The Department would need six new positions which include two chemists, two plant certification inspectors, and two pesticide inspectors.
- In addition to the new positions, new specialized equipment would be required as well as a professional services contract for the development of new genetic markers for seeds and plants.
- The one-time increase in state expenditures is estimated to be \$471,000 which includes the purchase of new laboratory equipment [(Polymerase Chain Reactor - \$105,000) + DNA extraction equipment - \$10,000) = \$115,000], contract for development of genetic markers (\$350,000), two computers for new positions (\$6,000).
- The recurring increase in state expenditures for the six new positions is estimated to be \$315,099 which includes salaries and benefits for a chemist 3 position (\$49,542), a chemist 2 position (\$43,529), two plant certification inspector 2 positions [\$83,424 = (\$31,128 + \$10,584) x 2], two pesticide inspector 2 positions [\$83,424 = (\$31,128 + \$10,584) x 2], travel (\$44,000), communication and supplies (\$11,180).

- The recurring increase in state expenditures for the continuation of testing requirements is estimated to be \$242,500 which includes laboratory and field supplies (\$81,000), maintenance on laboratory equipment (\$11,500) and contracting for continued development of genetic markers (\$150,000).
- Total recurring increase in state expenditures is estimated to be \$557,599.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

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